



Rep. Barry Sehlin

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February 1998

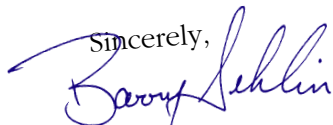
Dear Friends,

Staying on course. That's the best way to describe our focus during the short 60-day legislative session which has just convened in Olympia. The objectives of the Republican leaders in the House of Representatives will continue to be:

- making government more accountable
- making government more responsible to the public
- improving the way government treats its citizens
- and reducing unnecessary government interference in the lives of hard-working individuals and families.

Over the past three years, we have made remarkable progress in changing the way government works. We've adopted policies to get tough on violent crime, we've reformed our failed welfare system in order to get more people back to work, and we've set a new course for education that focuses on higher standards of learning. Since 1995 we've curbed government spending, reduced taxes by a billion dollars, and we have adopted policies that have stimulated strong sustainable economic growth.

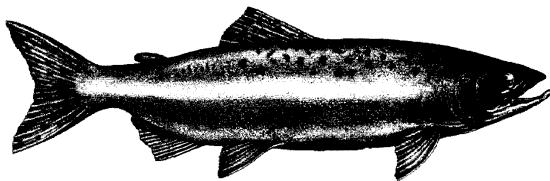
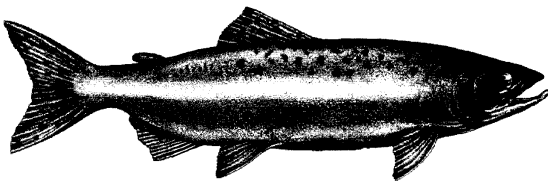
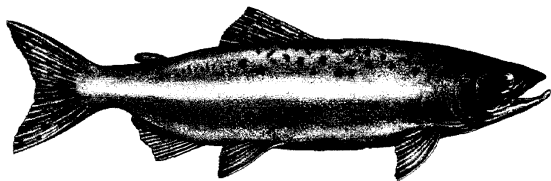
There is more to do. This report outlines some of the emerging issues that will require the Legislature's attention this session. As always, I welcome your ideas and questions. It is an honor to be working for you once again in Olympia.

Sincerely,  
  
Barry Sehlin  
State Representative

## A fair salmon solution

Restoring salmon populations in our state will be a daunting challenge. A solution to this complex issue requires that we all approach it in new and unselfish ways. The prospect of an endangered species listing could be quite burdensome and even costly to many people. The problem is there are fewer fish than we need to sustain an industry and a way of life, and if we want to prevent the salmon runs from being listed as endangered and avoid the regulatory consequences, then the only lasting solution is to work together to enhance the fish populations.

As a member of the Salmon Restoration Task Force, I am currently sitting at the table with many others to try to develop a workable solution. If we agree on one thing, it is this: There will be no winners if we fail to manage this resource in a cooperative and responsible manner. We're currently spending \$1 billion a year to protect salmon. We need to find out if we've been getting results and, more importantly, determine what action is necessary to get better results from this investment in our future.



1998 Session Outlook  
10th Legislative District

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## Budget surplus: what it means and what will the Legislature do

You've undoubtedly heard a great deal about the \$861 million state revenue surplus. The truth is, this is not cash in hand, but rather a projected surplus that forecasters expect us to have by the end of the budget cycle in June of 1999. Certainly this is a far cry from where we were in 1993 when state spending and taxes were escalating at an alarming rate. The good news is that we are expecting a revenue surplus, we've cut taxes by more than \$1 billion over the last three years, we've slowed the rate of growth in state spending to its lowest level in 26 years.

### Why is there a surplus?

The taxpayers can take a good share of the credit for the state's positive financial outlook. It's due in large part to the voter-approved Initiative 601, which has successfully brought the growth in state government spending under control. Republicans in the Legislature have kept tight reins on the growth of government, consistently holding expenditures well below the 601 spending lid. We will also continue to resist the efforts to repeal Initiative 601 by those who do not want limits on spending.

The other major contributor to our current revenue surplus is the healthy, sustainable growth in our state's economy. We have adopted responsible tax policies and regulatory reform measures that have helped spur growth in manufacturing jobs across the state. Even though we've cut taxes, more jobs and a strong economy are generating more tax revenue.

### What do lawmakers have planned for your money?

Even though \$861 million sounds like an incredible sum of money, it could be spent several times over by every special interest group that would like to get its hands on it. This means the Legislature will have to prioritize and maintain discipline. My philosophy on this is simple: It's your money and it should be used in your best interest.

First, I think we should use a portion of the surplus to protect taxpayers from reductions in important services, such as education, should the state's economy take a downturn. Just as businesses and households try to keep money in savings for emergencies, the state should keep a responsible level of savings for a rainy day. We refuse to go back to the days of budgeting by crisis and spontaneous tax hikes at the first sign of economic trouble, which occurred in the early part of this decade. With a responsible reserve, we can sustain important services through the highs and lows of the inevitable economic cycles.

I also plan to continue looking at ways to reduce the tax burden on Washington citizens. With the passage of Referendum 47, we've cut the state property tax levy by 5 percent and put tighter limits on all future property tax increases. I remain committed to reducing the property tax burden on homeowners.

The Motor Vehicle Excise Tax (MVET) is another likely target for tax reductions. Currently one-fourth of this tax you pay when you license your vehicle goes into the state's general fund. There have been numerous discussions about how we might be able to reduce this tax and/or shift a portion to cover a shortfall in revenue for transportation.

## Creating better schools

We have a unique opportunity to make measurable progress in our quest for better schools in Washington. We have recently tested our state's fourth-grade students based on new academic standards in math, reading, writing and listening. While a majority of students are not meeting the new standards in these areas, these initial tests have provided us with an important benchmark, and we can begin to identify and reward teaching methods and innovations in the classroom that best help students learn and achieve measurable success.

### Reading initiatives

We are glad to see that the governor has embraced the Legislature's focus on reading, which is aimed at teaching every student to read by the third grade. We feel strongly that reading is the key to learning in all subject areas, and greater emphasis on reading performance will go a long way toward improving academic performance in our schools.

### Charter schools

We will also be striving for agreement on a bill that will create innovation in education and provide more choices for Washington families. Our charter school legislation would allow local school districts to enter into agreements with independent public schools. These schools would be able to incorporate unique methods of learning while being subject to the same academic and safety standards as other public schools.

### School construction funding

Since I have served as chairman of the House Capital Budget Committee, the state has fully funded its share of all locally approved school construction projects. This was not always the case. Prior to 1994, local projects were often put on hold while awaiting state funds. We remain committed to adequate classroom space, but slowing timber sales requires additional support for school construction. We will be looking for a new funding mechanism to meet the needs of the growing K-12 school populations. We have already found ways to reduce construction costs through design audits that have identified millions in savings.

In addition to better sources of funding, we also plan to revisit the state's cost-sharing formula to ensure that local taxpayers are getting a fair portion of their school construction costs paid for by the state.



*Rep. Sehlin addresses his colleagues during floor debate in the House of Representatives.*

## Transportation - looking long term

We are fortunate this session to be able to shift surplus revenue from the general fund to alleviate pressing transportation needs. But we run the risk of a deteriorating infrastructure if we do not develop long-term solutions. Local economic development officials have identified several transportation improvements needed in Skagit and Island counties to address population growth and freight mobility restrictions in our communities.

Among the more urgent areas is State Route 20 from Interstate 5 to Whidbey Island. This not only serves as the primary commuter access to Whidbey Island, with more than 12,000 vehicles per day, it also has become a major freight arterial, providing access to our key industrial properties. In 1994, Skagit County businesses originated and/or terminated more than 743,000 fully loaded truck trips. With empty backhaul traffic, the total number of truck trips approaches 1.5 million, and that number is expected to grow 2.3 percent annually. On some stretches of SR 20, truck traffic accounts for as much as 12 percent of the total traffic volume. In addition to economics, there are other issues at stake, such as safety and quality of life.

Communities all over Washington face transportation challenges similar to those in Skagit and Island counties. The Legislature will be looking at ways to meet those challenges by exploring fair and reasonable long-term funding solutions.